

**MUTUAL COOPERATION AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND
THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL
FOR REDUCING DEMAND, PREVENTING ILLICIT USE AND
COMBATTING ILLICIT PRODUCTION AND TRAFFICKING OF DRUGS**

The Government of the United States of America
and

The Government of the Federative Republic of Brazil,
hereinafter referred to as the Contracting Parties,

Convinced that the illicit use and trafficking of
drugs constitutes a problem affecting the communities of
both countries;

Acknowledging that combatting the drug abuse problem
should be carried out by means of concerted and harmonious
activities in the prevention of illicit drug use, in the
repression of trafficking and in the recovery and
rehabilitation of chronic users;

Interested in developing mutual cooperation for
combatting illicit use and trafficking of drugs through
adoption of cooperative measures and execution of specific
programs;

Observing the obligations both countries undertook as
parties to the Single Convention on Narcotics, dated July
30, 1961, as amended by the Protocol of 1972, and to the
Convention on Psychotropic Substances, dated February 21,
1971, and to the United Nations Convention Against Illicit
Traffic in Narcotic Drugs and Psychotropic Substances,
dated December 20, 1988;

In keeping with the guidelines of the Interamerican
Action Program of Rio de Janeiro Against Consumption,
Production and Illicit Trafficking of Drugs and
Psychotropic Substances, dated April 24, 1986, and with
the Policy Declaration and Global Action Program approved
at the XVII Extraordinary Session of the United Nations
General Assembly, dated February 23, 1990;

Inspired by the Declaration of Principles issued by
the Summit of the Americas in December 1994 and
considering the commitments assumed in its Action Plan;

With due consideration of the two nations'
constitutional, legal and administrative systems, and
respecting the national sovereignty of each State,

Agree to the following:

ARTICLE I

1. The Contracting Parties commit themselves to continue undertaking joint efforts and executing specific programs for reducing demand, preventing illicit use and combatting illicit production and trafficking of drugs. The Contracting Parties will exchange information pertinent to the objectives stated above with the aim of enhancing the efficiency and broadening the scope of their bilateral cooperation in combatting illicit trafficking of psychotropic substances. This cooperation will be governed by this Agreement and may encompass the following activities on the part of both signatory governments:

A) supply of equipment and human and financial resources to be employed in specific programs in the aforementioned areas;

B) mutual technical-scientific assistance;

C) exchange of information.

2. The Contracting Parties will also cooperate by means of exchanges of information that include the exchange of experts, although not limited to this, with the objective of rehabilitating drug addicts.

3. The material, financial and human resources required for execution of specific programs will, in each case, be defined by the respective Parties through a Memorandum of Understanding.

ARTICLE II

1. In keeping with the respective internal legislation of each country, the Contracting Parties will take appropriate measures:

A) to control the production, import, export, storage, distribution and sale of inputs and precursors, chemical products and solvents that may be used illicitly in the production of drugs;

B) to intensify interchanges of information and experiences in areas related to combatting the drug problem, such as judiciary activities and customs control.

2. The Contracting Parties will exchange information pertinent to the objectives stated above, with the aim of enhancing the efficiency of their bilateral cooperation.

ARTICLE III

Subject to their respective constitutional principles and basic concepts of their legal systems, the Contracting Parties will take necessary actions to achieve compliance with the 1988 UN Convention, including working to adopt

the model regulations of the OAS Inter-American Commission on Drug Abuse Control (CICAD). The Contracting Parties will take measures aimed at combatting the laundering of financial assets related to serious crimes. This is to be achieved through taking appropriate steps to adopt and implement legislation that makes it a criminal offense to launder the proceeds of relevant serious crimes and that requires financial institutions to report suspicious transactions. In addition, the Contracting Parties will implement appropriate legislation that authorizes the seizure and forfeiture of property and financial assets. The Contracting Parties will also consider the possibility of sharing the proceeds of successful forfeiture efforts.

ARTICLE IV

1. This Agreement will be implemented by Memoranda of Understanding (MOU) between the United States Department of State and the Ministry of External Relations of the Federative Republic of Brazil -- following consultations with the Ministry of Justice.
2. Each MOU will cover a period of one year, will indicate the Agencies responsible for execution and will contain a declaration of the objectives to be achieved by the project, together with its specific measurable goals. The contribution of each participant will be defined in terms of goods and services, while the financial contribution of each will be estimated in Reais and Dollars. The MOU will also contain a timetable for execution of the activities defined therein.
3. Import fees or customs duties, to which the material and equipment furnished according to the terms of the MOU and as a consequence of execution of this Agreement may be subject, will be the sole responsibility of the recipient government, which will take the measures required for purposes of customs clearance.

ARTICLE V

The Government of the United States of America designates the Bureau of International Narcotics and Law Enforcement Affairs (INL) of the Department of State as coordinator of its participation in execution of this Agreement and the Brazilian Government designates the Department of International Organizations of the Ministry of External Relations as coordinator of its participation.

ARTICLE VI

1. In order to facilitate the execution of this Agreement, the Contracting Parties may designate an official in their respective Embassies to serve as permanent liaison between the respective government agencies specialized in drug affairs.

2. By means of appropriate consultations, the Contracting Parties may designate other specialized personnel to provide advisory services to the officials referred to in this Article.

ARTICLE VII

With a view toward achieving the objectives stated in this Agreement, and at the request of one of the parties, representatives of the Contracting Parties will periodically meet in order to:

- A) evaluate the effectiveness of the action programs;
- B) recommend to their respective governments annual programs with specific objectives to be developed within the framework of this Agreement and executed through bilateral cooperation;
- C) examine any questions related to execution of this Agreement;
- D) submit to their respective governments recommendations considered pertinent to more effective implementation of this Agreement.

ARTICLE VIII

All the activities resulting from this Agreement will be developed according to the laws and regulations in effect in the United States of America and in the Federative Republic of Brazil.

ARTICLE IX

For purposes of this Agreement, drugs are understood as the substances enumerated and described in the Single Convention on Narcotics, dated 1961, amended by the 1972 Protocol, as well as in the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, dated 1988, including the pharmaceutical products derived from such substances.

ARTICLE X

1. Each of the Contracting Parties will notify the other when it has completed the formalities required by its respective internal legislation to bring this Agreement into effect. This Agreement will enter into force on the date of receipt of the second of these notifications.

2. This Agreement will remain in effect for an unlimited period of time unless it is renounced by one of the parties through diplomatic channels. In this case, termination will become effective ninety days after the date of notification. The termination of this Agreement

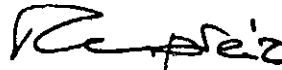
will not affect the validity of any other obligation contracted prior to termination.

3. On the entry into force of this Agreement, the Mutual Cooperation Agreement Between the Government of the United States of America and the Federative Republic of Brazil for Reducing Demand, Preventing Illicit Use and Consumption, and Production and Traffic of Drugs, signed September 3rd, 1986, shall cease to have effect.

DONE, in Brasilia, on this 12th day of the month of April, 1995, in two original copies in the English and Portuguese languages, both texts being equally authentic.



FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA



FOR THE GOVERNMENT OF THE
FEDERATIVE REPUBLIC OF BRAZIL